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FM AMEMBASSY NAIROBI
TO RUEHC/SECSTATE WASHDC PRIORITY 9375
INFO RUEHDS/AMEMBASSY ADDIS ABABA PRIORITY 8170
RUEHDR/AMEMBASSY DAR ES SALAAM PRIORITY 4444
RUEHDJ/AMEMBASSY DJIBOUTI PRIORITY 3942
RUEHKM/AMEMBASSY KAMPALA PRIORITY 1118
RUEHLO/AMEMBASSY LONDON PRIORITY 1849
RUEHFR/AMEMBASSY PARIS PRIORITY 1831
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C O N F I D E N T I A L NAIROBI 000525

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E.O. 12958: DECL: 02/02/2026

TAGS: KDEM PGOV KCOR PREL KE

SUBJECT: STORMY PARTY POLITICS COMPOUND KIBAKI'S WOES

REF: NAIROBI 284

Classified By: Political Counselor Michael J. Fitzpatrick for reasons
1.4 (b,d)

¶1. (C) SUMMARY: Under mounting pressure to effectively respond to a massive corruption scandal, President Kibaki is also facing the disintegration of his governing "NARC" coalition, as parties and politicians calculate their strategy for the 2007 general election. Kenyans are fired up and fed up. Confidence in, and commitment to, NARC is fading with the double blow to the government of November's referendum defeat and the public outing in January of massive and systematic corruption within senior-most government ranks. But Kibaki gives no hint of concern. END SUMMARY.

KIBAKI'S COCOON

¶2. (C) In the two weeks since high-level corruption in the Government of Kenya began to be publicly exposed January 22 (reftel), President Kibaki has remained publicly silent. While Kibaki waits out the current political storm, politicians, including within his own coalition, are calling on him to respond decisively -- and are considering their own electoral futures, with or without him. Highlighting his insulation from events, Kibaki wondered aloud in a January 27 speech why some of the parties that constitute NARC were considering fielding their own candidates for 2007's elections. Attempting to shore up NARC at the same event, Kibaki declared that "NARC is still the best vehicle for steering the affairs of this country." Moments later, however, he implicitly acknowledged that the coalition's leadership had abandoned him: the President asked "the party's rank and file to continue with their steadfast support."

CRUMBLING COALITION

¶3. (C) NARC, or what's left of it, was already deeply split over the long-running constitutional review debate. It is now subjected to further, intense pressures in light of the unfolding Anglo Leasing corruption scam and related scandals.

The February 3 presentation to the President of the multi-year investigation into the multi-billion dollar Moi-era Goldenberg scandal risks damaging even more retread politicians in the President's cabinet. Even some of his hand-picked "home team" in the cabinet are not taking the floor for him: only five Ministers attended a meeting at which cabinet pledged its support for the President -- this

out of a cabinet that was expanded in December to 30-plus in an attempt to deepen the President's political support with his own base. Meanwhile, one partner in the NARC coalition -- Forum For Democracy-Kenya (FORD-K) Chairman and Minister for Local Government Musikari Kombo -- has publicly called on implicated ministers to step down. Kibaki's once-reliable home base is also eroding. February 2 reports indicated that MPs from Kibaki's Central Province-Mount Kenya backyard will meet this week to determine their strategy for 2007 - without him. Many cabinet ministers are rejecting calls for "shared responsibility," saying that those implicated in should "carry their own crosses."

¶4. (C) Another coalition partner, the LDP, has all-but formally left the government. The Liberal Democratic Party (LDP), which has progressively distanced itself from the coalition, most profoundly during and since the 2005 referendum debate. The day after the President dismissed his cabinet in November, LDP (and ODM) leader Raila Odinga publicly declared NARC's death. Most LDP leaders were not reappointed to Kibaki's post-referendum cabinet in December. LDP Chairperson Professor Larry Ngumbe told poloff February 2 that while his party has not officially abandoned the coalition, NARC recently sent a formal request to LDP to confirm its continued participation. Ngumbe explained that given that the coalition was set to lapse five years from its inception, according to the original agreement establishing the coalition (just in time for the 2007 general election), LDP was not likely to respond to that letter, reminding poloff that party candidates were running under the LDP banner in upcoming 2006 by-elections.

¶5. (U) Nonetheless, Kibaki still benefits from a core of allies who have defended the President's integrity against any suggestions of his complicity in shady deals. In a January 30 statement, the five ministers who attended a press conference to defend the President's and the government's commitment to fighting corruption, spoke out against nay-saying media and politicians, cautioning those individuals against "actions that threaten the peace and stability," in Kenya. The statement also suggested criminal action might be taken against media or individuals who somehow besmirch the government's or President's reputation.

DON'T FORGET THE OPPOSITION

¶6. (U) At the same time, KANU and LDP members of the anti-referendum Orange Democratic Movement (ODM) have been agitating for Kibaki to reconvene parliament. (It is generally anticipated to reopen in March, as the President announced last year, well before he prorogued Parliament; but he has never said he will do so.) Speaking at a January 29 meeting on the coast, ODM leaders were quoted as threatening to "storm" parliament if the President did not recall MPs to discuss Anglo Leasing and other scandals. To force the issue, they plan to circulate a petition among MPs in support of an early opening. Notably, some Central Province MPs also attended the coast meeting.

PRESSURE FROM ALL DIRECTIONS

¶7. (U) Civil society groups, dissatisfied by inadequate investigations, have been outspoken and critical. At the Nairobi release of its Global Corruption Report, Transparency International's Kenya chapter (TI/K) demanded that all public servants, including ministers, implicated in the Anglo Leasing scandal step aside and submit to "uncompromised investigations." TI/K further called for exposure of the "tri-partite nexus between businessmen, politicians and civil servants." Illustrating the popular sense that Kibaki is insulated from political reality by his inner circle, prominent lawyers' association International Commission of Jurists (ICJ), in a January 27 statement, noted that "the President... must not be seen to be surrounded by a clique of untouchable personalities."

¶8. (C) COMMENT: President Kibaki's insistence that NARC still exists, and his professed optimism on the coalition's

continued viability, paint a worrisome picture about his insularity, a captive to his family and closest advisors. Alternatively, Kibaki is fully aware of the storm raging around him, and simply lacks the political will to take the necessary decisive action. The "go-it-alone" instinct is strong right now even among NARC's remaining adherents, as they calculate their positions for the 2007 general election.

With intra-cabinet wars heating up among ministers implicated in the separate Anglo-Leasing and Goldenberg scandals, it is increasingly every politician for him- or herself. With NARC battered and splintering, Kenya's politicians are trying to put some daylight between themselves and a government that lost in November, is indelibly stained by corruption, and faces rapidly fading public confidence. END COMMENT.

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